Banks, the National Bank for Agricultural and Rural Development (NABARD) conducts inspection of the same.

New scheme for borrowing from NRIs

68. SHRI K. NATWAR SINGH : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are exploring the possibility of tapping the non-resident Indian (NRI) community once again to raise $ 5-6 bn through a borrowing on the lines of the Indian Millennium Deposit Scheme;

(b) if so, whether the State Bank of India which arranged the two previous borrowing—The Resurgent India Bonds and IMDS—has been given the mandate for the fresh borrowing as well;

(c) if so, to what extend this decision has helped Government; and

(d) to what extent it has raised the borrowings from the NRIs ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) No, Sir.

(b) to (d) Do not arise.

Scams in Kerala Banks

69. SHRI MOOLCHAND MEENA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether there have been a number of bank frauds and scams in cooperative banks in the country;

(b) if so, the total number of cooperative banks where these scams have been found;

(c) whether RBI unearthed Rs. 20 crores scam in Kerala banks as reported in Economic times of 28th May, 2002; and

(d) if so, the total amount involved in the scam and what steps are being taken to check the scams and frauds in both nationalized and private banks in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) and (b) In the

year 2001-2002, 138 cases of frauds were reported by the Urban Cooperative Banks involving an amount of Rs. 22.97 crores. Irregularities in investment transactions have come to the notice in case of 14 Urban Cooperative Banks and 3 District Central Cooperative Banks.

(c) and (d) Reserve Bank of India (RBI) has reported that prima facie there was no fraud or scam but some banks had not followed the instructions of RBI in respect of opening accounts and cash transactions involving about Rs. 200 crore to Rs. 250 crore. Detailed guidelines in this respect already exists and defaulting banks have been issued show cause notice.

Adequate returns from MIP Schemes of UTI

70. SHRI BHAGATRAM MANHAR:
SHRI RAJU PARMAR:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) whether it is a fact that small investors and pensioners who have invested their money in various Monthly Income Plan (MIP) schemes are not getting adequate returns from the UTI;

(b) whether UTI have declared return of just 5 per cent on MIP (First) and MTP (Second) of the year 2000;

(c) if so, what are the reasons therefor and whether this return is below the interest of Savings Fund Account and the RBI Bonds; and

(d) the steps Government propose to take to ensure that adequate return is given to small investors and pensioners by the UTI in future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) According to UTI, it is presently managing 14 Monthly Income Plans of which 9 provide assurance of a predetermined rate of return for the full term and 5 provide returns at rates which are reset at the commencement of each year. Returns for the year 2002—03 in respect of the five schemes which provide for annual reset have been assured at lower rates than in the past.

(b) MIP 2000 (I) and MTP 2000 (II) have declared income distribution of 3.4%p.a. and 5.12%p.a. respectively (on annualisedbasis).

(c) UTI has intimated that lower returns for the year 2002—03 in respect of 5 schemes which provide for annual reset are so assured due to lower earning